

CHAPTER IV

INTERNAL ASSESSMENT

The Purpose of an Internal Assessment

The Texas Department of Health (TDH) internal assessment is an evaluation of TDH's core administrative structure. The assessment is not an exhaustive evaluation of all the core functions of every TDH program because such an assessment would be cost prohibitive. Nonetheless, the assessment touches on essential areas including fiscal, capital, information technology, workforce diversity and training, employee satisfaction, management improvement processes and minority contracting. All of these areas affect nearly every program enabling TDH programs to pursue the implementation of agency goals, objectives and strategies and therefore deserve a basic evaluation

Fiscal Aspects

General revenue, Tobacco Settlement funds, Tobacco Endowment funds, special funds and fees collected from regulatory programs provide state funding for the Texas Department of Health (TDH). Federal funds, making up 62 percent of the budget, come from a wide variety of federal block grants and discretionary programs, with Medicaid funds representing \$3.4 billion of the annual \$3.9 billion total federal funds. Funding is distributed over six goals outlined below (see Table 4).

Table 4. Funding for TDH Goals

Goal	State Funds	Other Funds	Federal Funds	Total 2000 Budgeted
A. Prevention and Promotion	322,318,785	8,060,820	440,162,873	770,542,478
B. Coordinated Medicaid Services	2,032,068,494	0	3,232,426,336	5,264,494,830
C. Uphold Health Care Standards	16,979,960	6,915,999	5,095,452	28,991,411
D. Promote Equitable Access to Health Care Services	166,347,152	3,287,674	246,651,411	416,286,237
E. Coordinated Health Systems	110,252,292	4,604,736	5,820,887	120,677,915
F. Indirect Administration	20,712,573	1,591,286	17,325,077	39,628,936
Total Budgeted	2,668,679,256	24,460,515	3,947,482,036	6,640,621,807

Source: Texas Department of Health FY 2000 Operating Budget, November 1, 1999

Funding appropriated to TDH has grown with the expansion of responsibilities. In fiscal year 1980, the annual TDH budget was \$135.6 million. By fiscal year 1991, the agency's annual budget had increased to nearly \$500 million.

In fiscal year 1993, the transfer of several programs from other agencies, primarily the acute care portion of the Medicaid program, resulted in more than a tenfold increase in the TDH budget. The annual agency budget in fiscal year 1994 was \$5.6 billion.

The annual TDH budget for fiscal year 2000 is \$6.6 billion. The budget is comprised of \$3.9 billion in federal funds and approximately \$2.6 billion from state General Revenue of which \$2 billion is state match for Medicaid. The budget also includes funds from the Tobacco Settlement, dedicated, undedicated funds, and other funds such as interagency contracts, appropriated receipts, and fees collected from state chest hospitals.

The 76th Texas Legislature appropriated \$70.6 million in Tobacco Settlement and Tobacco Endowment funds to TDH for fiscal year 2000. The agency has included approximately \$50 million in the fiscal year 2000 budget and plans to budget allowable unexpended balances (as authorized) with fiscal year appropriations in the budget for fiscal year 2001.

Tobacco Settlement funds support efforts to:

- provide vaccine to immunize additional children against vaccine-preventable diseases;
- expand the Medicaid waiver program for Medically Dependent Children to additional eligible children;
- expand Texas Health Steps Medical services to include a newborn hearing screen for all Medicaid eligible infants prior to hospital discharge from the birth admission; and
- pay for needed construction and/or renovation to enable the two chest hospitals to provide quality tuberculosis treatment and other health services.

Tobacco Endowment funds support efforts to:

- reduce the use of cigarettes and tobacco products in this state;
- develop and demonstrate cost-effective prevention and intervention strategies for improving health outcomes for children and the public;
- provide emergency medical services and trauma care;

- provide funds to small hospitals (125 beds or fewer) in urban areas of the state for capital improvements; and
- provide funds to public or nonprofit hospitals located in rural counties (population of 150,000 or less) to make capital improvements to existing health facilities, to construct new health facilities, or to purchase capital equipment for eligible health facilities (administered by the Center for Rural Health Initiatives).

Capital Improvement Needs

In response to the long-range plan for the TDH hospitals submitted to the 76th legislature, \$35 million of Tobacco settlement funds were appropriated to TDH to be used in hospital construction and renovation. As part of the long-range plan for the South Texas Hospital and the provision of tuberculosis treatment and other health care services in the Lower Rio Grande Valley, \$15 million (of the \$35 million) is planned for use in constructing a new physical facility for outpatient health care services. As part of the long-range plan for the Texas Center for Infectious Disease and the provision of tuberculosis and communicable infectious disease health care and laboratory services, \$20 million (of the \$35 million) is planned for the renovation of existing physical facilities and/or construction of new physical facilities.

Construction of the new TDH laboratory in Austin continues to be a priority for the FY 2000 – 2001 biennium. The parking garage has been completed and is currently in use. Construction on the laboratory/office building has begun and is being funded through revenue bonds that will be repaid primarily through laboratory-generated fees.

As with all parts of this assessment, this section is not an exhaustive evaluation of all of the capital needs of each program. However, these are initiatives that have major capital needs. Information technology is also an area that has extensive capital needs. For more information on TDH capital needs, please review the Biennial Operating Plan and Information Technology Strategic Plan.

Agency Workforce Profile

The main TDH office is located in central Austin, Texas with eight additional sites located throughout the city. TDH is organized into eleven regions as mandated for health and human services agencies. Regions 2 and 3, 4 and 5 North, 6 and 5 South, and 9 and 10 are administratively combined, and as a result, there are eight regional directors covering eleven regions. The TDH regional offices are located in Lubbock, Arlington, Tyler, Houston, Temple, San Antonio, El Paso, and Harlingen; a regional map is in Appendix H. TDH also operates two hospitals, the Texas Center for Infectious Disease in San Antonio and the South Texas Hospital in Harlingen.

On August 31, 1999, TDH employed 5595 employees. Of these employees, 2885 were in Austin, 2084 were located in the eight regional offices, 534 were in the two hospitals administered by TDH and 92 were in local health departments. Table 5 provides number of employees by Equal Employment Opportunity (EEO) Job Category and percentages of employees by minority workforce groups.

Table 5. TDH Workforce as of August 31, 1999

EEO JOB CATEGORY	Total TDH Employees	MINORITY WORKFORCE PERCENTAGES					
		BLACK		HISPANIC		FEMALES	
		Jan-99	State Goal	Jan-99	State Goal	Jan-99	State Goal
Officials and Administrators	407	6%	6%	9%	9%	39%	29%
Professionals	2735	9%	8%	21%	9%	66%	47%
Technical	566	9%	13%	28%	16%	44%	41%
Protective Services	13	15%	16%	38%	19%	0%	18%
Para Professional	752	13%	23%	43%	34%	90%	56%
Administrative Support	931	16%	16%	39%	21%	86%	71%
Skilled Craft	73	14%	11%	41%	23%	4%	10%
Service Maintenance	118	11%	20%	82%	35%	49%	26%
Total TDH Employees	5595						

Source: Texas Department of Health, "Minority Hiring Practices Report," January 5, 1999.

Table 6. TDH Staffing Locations

STAFFING LOCATION	TOTAL
Austin	2885
Regions	2084
Hospitals	534
Local Health Departments	92
Total Staffing Locations	5595

Source: Texas Department of Health, Human Resources Information System

Advance Priorities in the TDH Public Health Regions

Through TDH's strategic planning process, our eight Public Health Regional Offices identified priority issues across our 11 public health regions. Our regional offices cover the front lines of public health across Texas (see Appendix I). High priorities for our public health regions include to strengthen local public health infrastructure, to ensure access to the essential public health

functions, planning for rapid response to public health emergencies such as bioterrorism, and to strengthen public health systems through training and education.

Texas Health Alert Network

The Texas Health Alert Network project is an important application of telecommunications infrastructure to address public health needs. With funding from the Centers for Disease Control and Prevention (CDC) to TDH and from the Texas Infrastructure Fund Board to a collaborative of local health departments, the Health Alert Network will establish and maintain an Internet network of state, regional and local health departments for conveying routine and emergency disease information.

The goal of the project is to improve the state's ability to detect and respond to bioterrorist attacks. The project's network will link public health workers for electronic disease reporting, deliver distance learning in disaster preparedness for public health officials, and provide a means for rapid communication in case of health emergency. By the end of 2002, the three-year project will have built a telecommunications infrastructure that will help preserve, protect and promote the health of virtually all Texans and their communities.

Assessment of Human Resource Training Programs

The mission of the TDH Organization and Human Resource Development (OHRD) division is to assess, deliver, and evaluate learning and organizational development for TDH employees and the public health workforce.

Learning and staff development needs are assessed both formally and informally on an ongoing basis. A formal, agency-wide needs assessment is conducted every two years. This assessment consists of an employee survey, focus groups, and individual interviews. It targets every salary group in the agency: line staff, supervisors, managers and agency executives. The purpose of this assessment is primarily to identify curricula that need to be developed. Assessment participants are asked to think about what training and learning opportunities they are interested in but which are not currently available.

Annually, every TDH employee participates in the Performance Journal process. One of the elements of a performance journal is the Learning Portfolio, which records the employee's training and development needs for the upcoming year. This data is used by OHRD to determine training calendars for future years.

The OHRD division was reorganized in January 2000 shifting emphasis from traditional open-enrollment classroom training to more innovative learning activities. Resources were dedicated to the development of computer-based and Intranet training, training customized for programs and work units and organizational development.

Course evaluations are accomplished by two methods. First, every participant in every class is asked to evaluate the training according to effectiveness, teaching methodology, curriculum, and potential impact on their jobs. Second, the Registrar database automatically sends an acknowledgement of successful course completion to each participant and asks for additional comments.

Survey of Organizational Excellence

Beginning in 1979, the University of Texas (UT) at Austin has conducted the Survey of Organizational Excellence (SOE) for Texas state agencies, including TDH. This survey, conducted by the UT School of Social Work, provides a uniform benchmark for all Texas government agencies to compare employee perceptions of organizational achievement from agency to agency over time. The most recent iteration of the survey was conducted in January 2000 to determine what current attitudes of state employees reflect. The TDH response rate was 38 percent or 2,096 of the agency's 5,477 employees completed the survey. Employees rated their level of agreement from one (low) to five (high) for various statements. Table 7 shows what employees at TDH feel best about and the greatest areas of concern.

TDH is committed to continuously improving the agency's processes and services, and will use the SOE results to focus its intervention activities and change efforts. In fiscal year 2000, Town Hall meetings will be held with agency staff to review results of the survey and gather input for activities and improvements.

Table 7. Highest and Lowest Ratings from the Survey of Organizational Excellence

Ten Highest Rated Questions		Average TDH Rating
1.	We know who our customers are.	4.11
2.	I am satisfied with the sick leave offered by my employer.	3.94
3.	We work well with the public.	3.92
4.	Sexual harassment is not tolerated in this organization.	3.89
5.	I am satisfied with the vacation benefit offered by my employer.	3.84
6.	We are known for our customer service.	3.80
7.	The benefits and compensation packages were adequately explained to me when I was hired.	3.77
8.	I am satisfied with the medical insurance benefit offered by my employer.	3.75
9.	I am satisfied with the holiday benefit offered by my employer.	3.74
9.	We produce high quality work that has a low rate of error.	3.74
10.	Employees have a strong orientation toward high performance, accuracy, and honesty.	3.69
Ten Lowest Rated Questions		Average TDH Rating
10.	Information and knowledge are shared openly in this organization.	2.53
9.	Assess the level of stress and burnout that is experienced in this organization.	2.49
8.	People who challenge the status quo are valued.	2.47
7.	I am satisfied with the dental insurance benefit offered by my employer.	2.46
6.	There is a basic trust among employees and management.	2.45
5.	Management knows whether an individual employee's life goals are compatible with organizational goals.	2.36
4.	Assess the level of bureaucracy in this organization.	2.29
3.	Raises and promotions are designed to ensure that workers are rewarded solely for their performance.	2.26
2.	Promotion recommendations are made by a team of evaluators.	2.26
1.	Salaries are competitive with similar jobs in the community.	1.92

Source: "Survey of Organizational Excellence," University of Texas at Austin.

Prepared by: Division of Organization and Human Resource Development, Texas Department of Health

Continuous Quality Improvement

TDH started an agency-wide initiative call Continuous Quality Improvement in 1993. The initiative is aimed at identifying customers and improving the services and products that the organization provides to those customers. CQI is based on three principal elements: Customer Satisfaction, Employee Empowerment, and Data-Based Decision-Making.

TDH is in the seventh year of providing an intensive training curriculum that involves employees from all areas of the agency and across all salary groups as well as our community partners in Public Health. This year the emphasis is on facilitation. By the end of the year, employees in the Public Health Regions and hospitals will be facilitating local conferences concerning public health in their

community and developing a “Facilitator’s Network” similar to the one in the central office. Participants in Austin will enhance the existing Facilitator’s Network and facilitate several community health conferences in Austin.

To date, over 3,400 TDH employees have participated in CQI training and team projects. Once a year the agency celebrates and shares the successes of the teams while recognizing the time and effort spent by employees.

In accordance with the General Appropriations Act and Senate Bill 1563 enacted during the 76th Texas Legislature, TDH is implementing a customer satisfaction plan and developing customer service standards. TDH commits to providing customers excellent service and accurate information. Appendix E contains details on TDH’s service commitment.

Historically Underutilized Business Goal

The Texas Department of Health is required to use historically underutilized businesses (HUB) in purchasing and public work contracts, pursuant to the Government Code, Section 2161.123. TDH has established a specific goal to increase participation of HUBs:

We will establish and carry out policies governing delegated purchases, professional services, and public works contracting which foster meaningful and substantive inclusion of historically underutilized businesses.

The agency’s objective is to promote full and equal business opportunities for all businesses and to make a good-faith effort to assist HUBs in receiving a portion of the total contract value of all contracts that TDH expects to award in a fiscal year. Another agency objective is to meet or exceed the percentage HUB participation goals of: 25.1 percent building construction, 47 percent special trade construction, 18.1 percent professional services, 33 percent other services and 11.5 percent commodities. These participation goals were set by the General Services Commission and based on the 1994 Disparity Study.

The Board of Health and TDH senior management are committed to ensuring HUBs are given an opportunity to contract with TDH, and the agency is

optimistic about its future good faith efforts to meet or exceed General Services Commission HUB goals. Activities will be focused on:

1. Increasing awareness and support among TDH programs and senior management; and
2. Outreach to potential HUB vendors and non-HUB contractors.

This will include assisting HUB vendors to become certified with GSC, become familiar with TDH's purchasing procedures and opportunities, and providing other technical support, plus providing information and support to non-HUB contractors in their efforts to subcontract with HUBs.

Some of the major activities that TDH will undertake include:

- Securing commitment and additional support at the Deputy Commissioner and Executive Deputy Commissioner level;
- Aiding associateships and programs within our agency to create individual work-plans for HUB usage, including program contact information, based on planned delegated purchases;
- Beginning a “mentor” program by pairing HUB subcontractors with established prime contractors;
- Developing a computer program that will allow TDH to collect and maintain bid data as it relates to HUB vendors;
- Increasing agency outreach and participation in community groups and civic organizations;
- Developing and adopting operating procedures that will, in part, require TDH programs to actively seek out and provide notice to at least five businesses that perform the type of work required under professional services contracts or consultant contracts and listed in the GSC HUB directory;
- Including a HUB Page on the agency's Home Page on the World Wide Web of the Internet; and
- Ensuring that prime contractors make a good faith effort (GFE) to subcontract with HUBs to the extent possible, by attending pre-bid conferences to explain and promote the GFE Program to potential contractors and providing them with technical assistance in locating HUBs.

In addition to these efforts, TDH will continue those activities that have benefited the program in the past. These include:

- Assisting HUBs in becoming more competitive. TDH will continue to hold forums on business-related issues for HUB vendors;
- Participating in General Services Commission sponsored HUB Economic Forums;
- Continuing to perform as agency liaison to GSC and other governmental offices concerning HUB issues;
- Providing monthly presentations to the Board of Health on HUB related activities;
- Continuing to track, promote and share information regarding TDH's HUB participation through procurement card program with TDH program purchasers and managers; and
- Providing reports to various associations and programs regarding their HUB participation percentages.

Information Resources

Information resources (IR) are used in almost all areas to facilitate progress toward TDH's goals to promote public health. This widespread use, coupled with communications (voice, e-mail, fax, and bulletins), stresses the fundamental utility of IR at TDH. TDH has recently finished migrating all systems to a distributed network. TDH plans to continue this evolution using state and open system standards. The TDH IR Strategic Plan is in Appendix G.

TDH anticipates expanded use of computing at all levels in the future. This will be done with a blend of off-the-shelf software, TDH-developed software, and purchased systems. Currently, there are two major projects reflective of that direction, which affect the entire agency.

Administrative Systems

The goal of this project is to replace the current administrative systems (financial and human resources/ purchasing systems). Current TDH systems are over twenty years old and do not support Texas Department of Information Resources (DIR) open systems guidelines. In keeping with the direction of the

Health and Human Services Commission (HHSC), TDH has committed to use *PeopleSoft*, a web-enabled, integrated system which would meet DIR's open system requirement, would consolidate databases, and would provide enhanced tools for management and operational reporting. TDH will operate under the statewide license negotiated in September 1999. This project will meet the requirements of all statewide interfaces.

Implementation of a new administrative system will standardize administrative functions throughout the agency, including regional offices and clinic sites, and would offer management flexible reporting tools with ad hoc query capabilities available to all user areas. Implementation of web-enabled software will allow the agency to push out certain administrative tasks initiated at the employee level. A new administrative system will also allow the agency to continue its effort to reduce consumption of paper and ink. TDH will have the opportunity to take advantage of best business practices incorporated into the public sector software.

Microsoft Exchange Conversion

This project is to implement Microsoft Exchange/Outlook as the E-mail and calendaring standard at TDH. This is the messaging and calendaring standard set by HHSC. E-mail and calendaring functions will be moved from the Novell file servers to NT servers, increasing the capacity and reducing the load on the Novell servers. This project is being implemented in phases. Phase I, implemented in November, linked the executive staff with the deputy, associate, and bureau chief offices. Future phases will require the installation of additional hardware and software at sites around the state. All TDH employees should be using the standard by the end of Fiscal year 2001.

